

## Message Text

LIMITED OFFICIAL USE

PAGE 01 JAKART 00239 060928Z  
ACTION COME-00

INFO OCT-01 EA-10 IO-13 ISO-00 AGRE-00 CEA-01 CIAE-00  
DODE-00 EB-08 FRB-03 H-01 INR-07 INT-05 L-03  
LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15  
STR-05 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02 SOE-02  
OMB-01 DOE-11 /111 W  
-----082843 061019Z /13

R 060810Z JAN 78  
FM AMEMBASSY JAKARTA  
TO SECSTATE WASHDC 5968  
INFO USMISSION GENEVA

LIMITED OFFICIAL USE JAKARTA 0239

E.O. 11652: NA  
TAGS: ETRD, MTN, ID  
SUBJECT: RECIPROCITY FOR US TROPICAL PRODUCTS OFFERS

REF: STATE 310788

1. WITH REGARD TO THE ITEMS DESCRIBED PARA 4 REFTEL, OUR PRELIMINARY RESEARCH HAS NOT REVEALED SPECIFIC NTMS EXCEPT FOR AUTOMOBILE AND MOTORCYCLE TIRES, THE IMPORTATION OF WHICH HAS BEEN BANNED NOW THAT DOMESTIC PRODUCTION IS SUFFICIENT FOR NATIONAL NEEDS. HEAVY EQUIPMENT TIRES NOT DOMESTICALLY MANUFACTURED MAY STILL BE IMPORTED BUT SPECIAL LICENSE IS REQUIRED. FACT WE HAVE NOT DISCOVERED SPECIFIC NTM'S AFFECTING ITEMS LISTED DOES NOT NECESSARILY MEAN NTM'S AGAINST THEM DO NOT EXIST, ONLY THAT STAFF RESOURCES AVAILABLE FOR INVESTIGATION NOT SUFFICIENT TO FULLY EXPLORE POSSIBILITIES WITHIN TIME ALLOWED FOR RESEARCH. TIME AND MANPOWER REQUIREMENTS TO DEVELOP INFORMATION SUCH AS REQUESTED REFTEL ARE PROBABLY TWO OR THREE TIMES AS GREAT FOR INDONESIA AS FOR MORE ADVANCED COUNTRIES.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 JAKART 00239 060928Z

2. NTM'S WHICH AFFECT IMPORTS GENERALLY ARE: (A) IMPORT CHECK PRICES--THESE ARE PRICES SET BY CUSTOMS TO ESTABLISH THE BASE FOR THE ASSESSMENT OF AD VALOREM DUTIES. IMPORTERS CLAIM THEY ARE SET ARBITRARILY AND USUALLY WELL ABOVE REAL VALUE OF GOODS; (B) SO-CALLED MPO DEDUCTION. THIS IS A FORM OF TAX BASED ON IMPORTED VALUE OF GOODS WHICH MUST BE PAID AT TIME OF IMPORTATION AS A KIND OF

PREPAYMENT OF IMPORTER'S CORPORATE TAX DUE AT END OF FISCAL YEAR. IF AMOUNT THUS COLLECTED EXCEEDS YEAR-END TAX LIABILITY, EXTREMELY DIFFICULT AND SOMETIMES IMPOSSIBLE FOR IMPORTER TO GET REFUND; (C) IMPORT SALES TAX. SEE JAKARTA 16896 FOR HOW TAX IS ASSESSED AND MANNER IT DISADVANTAGES IMPORTS.

3. WE REALIZE FOREGOING INFORMATION MAY LACK SPECIFICITY NEEDED FOR NEGOTIATIONS. GREATER DETAIL, HOWEVER, WILL REQUIRE MORE TIME AND SUBSTANTIAL COMMITMENT OF SCARCE MANPOWER RESOURCES. IF LATER SUBMISSION OF MORE SPECIFIC INFORMATION WOULD STILL BE USEFUL AND IF DEPARTMENT BELIEVES POSSIBLE GAINS WILL JUSTIFY THE EFFORT, WE WOULD BE WILLING TO DO WHAT WE CAN TO BE HELPFUL. ALTERNATIVELY, DEPARTMENT MAY WANT TO CONSIDER HAVING EMBASSY CONTRACT WITH LOCAL COMPANY TO RESEARCH NTM'S IN INDONESIA. PLEASE ADVISE.  
RIVES

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TROPICAL PRODUCTS, RUBBER PRODUCTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 06 jan 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978JAKART00239  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780010-0095  
**Format:** TEL  
**From:** JAKARTA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780193/aaaadabc.tel  
**Line Count:** 80  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** d99801e6-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION COME  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 STATE 310788  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 29 apr 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3819214  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** RECIPROCITY FOR US TROPICAL PRODUCTS OFFERS  
**TAGS:** ETRD, ID, MTN  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/d99801e6-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014